

Act 46 of 2015

An act relating to making amendments to education funding, education spending, and education governance to support the goals of equity and quality

GOALS – Act 46, Sec. 2

Intent: to move the State toward sustainable models of education governance

Goals: to encourage and support local decisions and actions that:

- provide substantial equity in the quality and variety of educational opportunities
- lead students to meet or exceed State Education Quality Standards
- maximize operational efficiencies through greater flexibility to manage, share, and transfer resources, with a goal of increasing district-level student-to-staff ratios
- promote transparency and accountability
- are delivered at a cost that parents, voters, and taxpayers value

All changes should be mindful not to create geographically isolated districts

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Note: The majority of reasons are educational, not fiscal.

Transition to Sustainable Structures by FY2020 – Act 46 Process

1. Incentives for voluntary mergers in three phases, incorporating earlier merger legislation –
 - various deadlines
 - fully operational either 7/1/17 or 7/1/19
2. Nonmerging districts present proposals by 11/30/17 to stay the same or to work with other districts (by merger or contract)
3. Secretary proposes statewide plan by 6/1/18
4. State Board issues final statewide plan by 11/30/18

Average Daily Membership (ADM)

900 ADM? 1,100 ADM ?

Section 5 ADM numbers are a statement of best practices that the General Assembly recognized was not possible everywhere

A minimum ADM is required only when it is a criterion to receive incentives for voluntary merger

Act 46 – Voluntary Mergers

- Creates a *multi-year process* providing *three phases of incentives* for communities that voluntarily merge into the most common governance models
- Incorporates Act 153 & Act 156 processes
- Act 46 is the “umbrella”
 - Phase 1 – Accelerated Mergers (Act 46, Sec. 6)
 - Phase 2 –
 - REDs (Act 153 (2010), as amended)
 - RED Variations: Side-by-Side Mergers; Layered Mergers; MUUSDs (Act 156 (2012), as amended)
 - Phase 3 - Conventional Mergers (Act 46, Sec. 7)

Voluntary Merger Process

Process is identical to the process for union school district formation (in statute since 1968):

- Study Committee – Report / Articles of Agreement
- Secretary of Education – Recommendation to SBE
- State Board of Education – Approval
 - “In the best interest of the State, the students, and the districts” per 16 V.S.A. § 706c
 - Act 46 Goals and Geographic Isolation
- Electorate of Each District – Vote(not commingled)

Incentives for Voluntary Unification of Governance Structures

Phase 1: Accelerated Mergers

- Basic Elements:
 - All districts in one SU merge their governance structures into a single district, that is its own supervisory district
 - 900 ADM
 - Vote by Electorate: 6/30/2016
 - Operational: 7/1/2017
- [Criteria, Timeline, and Incentives \(page 1\)](#)

Incentives for Voluntary Unification of Governance Structures

Phase 2: REDs and RED Variations

- REDs (Act 153 (2010), as amended):
 - 1,250 ADM **OR** Merger of 4 Districts
 - Merging districts do not need to be in same original SU
 - Vote by Electorate: 7/1/2017
 - Operational: 7/1/2019
- RED Variations (Act 156 (2012), as amended):
 - Side-by-Side Merger
 - Layered Merger
 - MUUSD
- [Criteria, Timeline, and Incentives \(page 2\)](#)
- [Phase 2 Summary \(see page 3 for Red Variations\)](#)

Incentives for Voluntary Unification of Governance Structures

Phase 3: Later, Conventional Mergers

- Basic Elements:
 - Two or more districts merge their governance structures into a single district, that is its own supervisory district
 - Merging districts do not need to be in same original SU
 - 900 ADM
 - Operational: 7/1/2019
- [Criteria, Timeline, and Incentives \(page 3\)](#)

Transition to Sustainable Governance Models by FY2020 (slide 1 of 3)

District Proposals by 11/30/17 – A district that will not voluntarily merge or otherwise be in a preferred structure by 7/1/19 must self-evaluate, meet with other districts, and present to the Secretary & State Board of Education a proposal to:

- keep its current governance structure or
- change its current governance structure or
- change its manner of operation in some other way (*e.g.*, contractually)

Transition ... (slide 2 of 3)

Secretary's Proposal by 6/1/18 – The Secretary of Education:

- Considers the nonmerging districts' proposals (previous slide)
- Reviews the successful mergers
- Publishes a *proposed* plan to merge districts or change SU boundaries *to the extent necessary* to meet State goals

Transition ... (slide 3 of 3)

State Board's Final Plan by 11/30/18 – The State Board will take testimony, evaluate the proposals (nonmerging districts' and Secretary's), & issue a final plan to merge districts or to change SU boundaries

The Final Plan:

- Makes changes *to the extent necessary* to meet State goals
- Makes changes *to the extent practicable*, given the realities of geography and population
- *Preserves* each current district's existing *decision to pay tuition or operate* schools

Interstate school districts, CTE districts, and recently merged districts are grandfathered – the Final Plan will not require them to change

[Criteria, Timeline, and Incentives \(page 3\)](#)

Act 46 Does NOT ...

- Require that all school districts merge into larger governance units
- Establish any required minimum average daily membership (ADM) for all school districts
- Require that all SUs merge into fewer, larger SUs
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- Establish any required minimum ADM for all SUs
- Encourage or require closure of schools – including small schools
- Restrict or repeal (or allow restriction or repeal of) the current authority of school districts to continue to pay tuition or to operate a school
- Change the amount or manner in which a district pays tuition
- Limit the categories of schools that may receive publicly funded tuition dollars

Some Links

[Act 46: Unification to Achieve Sustainable Governance \(webpage with links\)](#)

[Map - Variations in Operating and Tuitioning Patterns](#)

Supervisory Unions

SUPERVISORY UNION (SU)

Definition / Function

- An “administrative, planning, and educational service unit” consisting of two or more school districts (16 V.S.A. § 11(23)) (*But see “NOTE” under Supervisory District below*)
- The State Board of Education has the authority to adjust the boundaries of an SU on its own initiative or at the request of a school district (16 V.S.A. § 261 – for more than 50 years)
- An SU may hire a superintendent, but it is not required to do so (16 V.S.A. § 241)
- An SU does not operate schools, but as of July 1, 2014 it is required to provide special education services on behalf of member districts (16 V.S.A. § 261a)

Governing Board (16 V.S.A. § 266)

- An SU board consists of representatives appointed from each member school district’s board
- The proportional representation requirements of the Equal Protection Clause do not apply

Budget (16 V.S.A. §§ 261a and 301)

- The SU board adopts a budget and allocates it among the member districts
- The electorate does not vote directly on the SU budget; it is included in each district’s budget

SUPERVISORY DISTRICT (SD) (16 V.S.A. § 11(24))

- An SU that has only one district (*e.g.*, Burlington; Montpelier)
- Can include multiple towns (*e.g.*, Blue Mountain SD)
- The footprints of the SD and the school district are identical
- One board governs all schools in an SD and serves as the board of both the SD and the school district
- Budgets are developed and adopted as in any school district
- *NOTE:* The definition of “supervisory union” includes a supervisory district “if the context clearly allows”

School Districts

SCHOOL DISTRICTS – GENERALLY

Definition / Function

- A district can be organized to provide for the education of resident students in:
 - all grades or
 - in some subset of grades
- A school district is responsible for providing for the education of its resident students, either:
 - by operating a school or schools
 - by paying tuition on behalf of its resident students, or
 - by operating some grades and paying tuition for other grades
- The boundaries of a district can encompass one or more towns or portions of a towns

Governing Board

- There is one elected governing body (the school board) for the entire district, regardless of the number of towns or portions of towns included in the district
- The Equal Protection Clause of the U.S. Constitution requires proportional representation

Budget

- The school board proposes a budget that is adopted by vote of the electorate
- When a district includes more than one town or parts of towns, the votes are commingled

School Districts (*continued ...*)

SCHOOL DISTRICTS – TYPES

Town or City School Districts – The boundaries of the town/city are the boundaries of the district – *e.g.*:

- Berlin School District (operates PK–6)
- St Johnsbury School District (operates PK–8; pays tuition for 9–12)
- Colchester School District (operates K–12)

Incorporated Districts – These districts operate under a charter granted by the General Assembly – *e.g.*:

- Barton ID (operates K–8)
- North Bennington ID (pays tuition for PK–6)

Union School Districts (16 V.S.A. chapter 11)

- Two or more school districts merge into one district, a union school district, for the purpose of owning, constructing, maintaining, and operating schools – *e.g.*:
 - Leland & Grey Union School District (Brookline, Jamaica, Newfane, Townsend, & Windham; the district operates 7–12)
- These districts have all the same rights and responsibilities as any school district – *e.g.*, representation on the school board is proportional; there is one tax rate for all member towns; votes of the electorate are commingled
- **A Unified Union School District** operates a union school offering PK/K–12 – *e.g.*:
 - Twinfield Union School District (Marshfield and Plainfield) (*Act 46 expands the definition to include tuitioning*)

Interstate School Districts

- There are two districts that provide education to a combination of New Hampshire and Vermont students. They were created by acts of the two state legislatures and of Congress. They are Vermont schools for purposes of financing only. Vermont governance decisions do not affect them.

Questions?

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